



The State of New Hampshire  
**DEPARTMENT OF ENVIRONMENTAL SERVICES**



**Thomas S. Burack, Commissioner**

February 18, 2014

The Honorable Marjorie Porter, Chair  
Municipal and County Government Committee  
Legislative Office Building, Room 301  
Concord, NH 03301

**RE: SB 223, "An Act authorizing municipalities to enter into contracts for the private funding and repayment of construction of sewer systems"**

Dear Chair Porter and Members of the Committee:

Thank you for the opportunity to testify on SB 223. This bill would amend RSA 149-I:4 to allow municipalities or an appropriate sub-governmental body, thereunder, to enter into contracts with private non-governmental entities for the design, construction, and funding of new sewer or sewerage systems and to provide for the repayment of the cost using sewer rental fees. The Department of Environmental Services (DES) supports this bill as it offers municipalities an important option for partnering with developers for cost-effective and efficient expansion of sewer systems.

The lack of wastewater sewer infrastructure can be the limiting factor in economic development for many New Hampshire municipalities. The design and construction of sewer systems to serve economic development areas can be an expensive and risky undertaking and most often must compete for funding with other municipal capital improvement projects. Public/private partnerships can be an important means of providing infrastructure necessary for economic development while limiting the economic risk to the municipality.

Under SB 223, municipalities would be authorized to contract with private entities that would then design, construct and fund new or expansion of existing sewer systems. Ownership of the sewer system would revert to the municipality upon completion of construction. Persons subsequently benefitted from the sewer project would be assessed a sewer rental fee by the municipality who would use the fees to repay the private funding entity the cost of the sewer system design and construction. Municipalities may adopt the provisions of SB 223 only after approval of a special or annual town meeting, petition or other method in compliance with its charter.

SB 223 provides further that design and construction of sewer systems must be in accordance with state standards. Therefore, such designs and construction must be in compliance with DES approvals made under New Hampshire Code of Administrative Rules Env-Wq 700, Standards of Design and Construction for Sewerage and Wastewater Treatment Facilities. These standards will ensure that sewer design is modern, properly sized for the projected wastewater flows and that sufficient capacity for treatment of the additional sewage is available at the wastewater treatment facility.

DES Web site: [www.des.nh.gov](http://www.des.nh.gov)

P.O. Box 95, 29 Hazen Drive, Concord, New Hampshire 03302-0095

Telephone: (603) 271-3503 • Fax: (603) 271-2982 • TDD Access: Relay NH 1-800-735-2964

The Honorable Marjorie Porter, Chair  
Municipal and County Government Committee  
February 18, 2014  
Page 2

Thank you for your consideration in this matter. If you have questions or need additional information, please contact either Paul Heirtzler, Administrator of the Wastewater Engineering Bureau (Paul.Heirtzler@des.nh.gov, 271-2001) or me at

Thomas.Burack@des.nh.gov, 271-2958.

Sincerely,



Thomas S. Burack  
Commissioner

cc: Senators David Boutin, Jeb Bradley, Sharon Carson, Sam Cataldo, Martha Fuller Clark, Peggy Gilmour, Sylvia Larson, Bob Odell, David Pierce, Jim Rausch, John Reagan, Donna Soucy, Nancy Stiles, David Watters and Jeff Woodburn  
Representatives Frank Kotowski, Thomas Walsh and David Campbell